

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, OCTOBER 20, 2025 – 4:45 P.M.**

A.I. #1 CALL TO ORDER/ROLL CALL

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, October 20, 2025, at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Jeremy Kraemer, Eric Seanger, Joe Finken, Water/Wastewater Supervisor Jeremy Schrantz, City Administrator Colleen Winter, Finance Director Jackie Niehaus, HR Generalist/Payroll Clerk Doris Rieland, and City Clerk Patti Haase. Also in attendance was Colin Marcusen with SEH. Chair Jeremy Kraemer called the meeting to order.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Seanger seconded by Mr. Finken and unanimously carried to approve the agenda as amended.

A.I. #3 CONSENT AGENDA

The following were considered for approval under the Consent Agenda:

- a) The minutes from the Commission's September 8, 2025, Regular Meeting, and the September 23, 2025 Special Meeting.
- b) List of bills in the amount of \$2,083,523.51
- c) Investments Report for the month of September.
- d) Pay Application No. 9 (Final) for the 2024 Main Improvements. SEH has reviewed this application and recommends final payment of \$35,819.32 for the work completed through August 15, 2025.

The final compensating change order (Change Order No. 2) which represents a reduction in the contract price of \$104,021.33 for your review and approval.

Payment 9 splits are as noted below. This payment represents all quantities for the project and the complete payment of retainage.

PUC	\$13,119.29
City	\$12,993.29
City Storm Sewer	\$ 1,156.26
Stearns County	\$ 6,816.08
Stearns County Storm Sewer	\$ 1,734.40

The City will pay \$35,819.32 and be reimbursed \$8,550.47 by Stearns County.

Total project cost summary:

PUC – Water	\$ 473,025.35
PUC – Sanitary Sewer	\$ 686,350.50
City – Storm Sewer	\$ 105,214.15
City – Streets	\$ 941,235.16
County – Storm Sewer	\$ 157,520.55
County – Streets	\$ 484,625.19
Total Project Cos.....t	\$ 2,847,970.89

- e) Pay Application No. 4 (Final) for the Highlands Boulevard Extension project. SEH has reviewed this application and recommends payment of \$57,729.68 for the work completed through October 7, 2025.

The final compensating change order (Change Order No. 1) which represents an increase in the contract price of \$2,612.16 for your review and approval. The change order is less than 1% over the original contract price of \$371,273.70 and stems primarily from additional erosion control installed to satisfy the MPCA.

The final project payment should be split as follows:

City of Melrose	\$ 50,598.92
Melrose Public Utilities Commission	\$ 7,130.75

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the consent agenda items.

A.I. #4 REPORTS

- a. Water/Wastewater Supervisor Jeremy Schrantz provided an update.
 - Water Main Leak
 - PreCon Meeting for Well #10 Contract A
 - Aeration Basin Project Complete
 - Sewer Jetting is Complete
- b. City Administrator Colleen Winter provided an update on the Electric Department
 - September 15 – Scheduled generation was completed.
 - Completed project at Rose Park
 - Completed Highlands Project – the department installed the streetlights on the Highlands Blvd. extension
 - Finished Up pulling wire for the other projects which had been started during the summer to wrap them up before winter.
 - Changed Street Light by Post Office
 - Responded to Fire Call for Disconnect at Blue Door Storage. This was a Sunday afternoon and both Seth and Justin responded. A fire started in a center storage unit. Melrose, Sauk Centre and Freeport Fire Departments responded to that fire.
 - Proliant Project is Completed
 - Installed Banners on Light Poles Downtown – The banners were paid for by the Legion and Lions, and the department installed them in time for homecoming parade
 - Installed Services on New Homes - There are homes on the north side currently under construction – In Highlands, Moormans and a spec house by Woodland Homes, and Tiemans have a house they are building on the NW side.
 - Jennie-O Outage for maintenance was completed.
 - Locate requests keep coming – some in the city, some on the rural line.
 - Attended Steans County meeting on the County Road 169 project for next spring. This is north of the city on our rural line.

A.I. #5 ACTION ITEMS

- a. Staff has obtained 2 quotes for street light poles. The low bid was from Border States in the amount of \$50,846.70.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving the purchase of the Millerbernd Street Poles from Border States in the amount of \$50,846.70.

- b. The Electric Department has obtained quotes for 15-50KVA Transformers. They are looking to purchase a quantity of 4 15KVA transformers, quantity of 2 25KVA transformers, quantity of 2 37.5KVA Transformers and 1 50KVA transformer. The quote from IPS is in the amount of \$13,275, and the quote from Solomon is in the amount of \$39,951. Staff is recommending the purchase from IPS in the amount of \$13,275.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried authorizing the purchase from IPS in the amount of \$13,275.

- c. We currently have two full-time Journey Lineworkers in the Electric Department. Justin Lundblad who is the most senior Journey Lineworker has been assuming the Supervisor tasks. The Commission reviewed the MOU that discusses the duties that Mr. Lundblad has assumed and recommendations of how he is to be paid.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried authorizing additional compensation in the amount of \$2.50 per hour for any Electric Line Supervisor duties performed out of his current job description, excluding prevailing wages and trouble calls, and approving the MOU.

- d. Magney Construction is proposing to issue the Melrose Public Utilities Commission credit in the amount of \$35,825 for the unfinished asphalt and valley gutter.

The Commission by consensus requested SEH to provide a line-item cost detail for the proposed credit in the amount of \$35,825.

- e. Water/Wastewater Supervisor Jeremy Schrantz has obtained a quote for the repair of the Vogelsang pump. This pump is no longer under warranty. The Water/Wastewater staff can make the repairs.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving the purchase of the repair kit for the Vogelsang pump.

- f. City Administrator Winter stated that she has received the 2026 Renewable Energy Certificate Election Form from MRES. The Commission can keep the current number of REC's or sell them back.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried authorizing to sell back the additional Renewable Energy Certificates.

- g. City Clerk Patti Haase has submitted her notification of retirement as of 11.28.2025. The Commission gave consideration to advertising for the city clerk position.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried authorizing staff to advertise for the city clerk's position.

A.I. #6 OLD BUSINESS

- a. Water/Wastewater Treatment Facility Update from SEH.

Structure	Status of Construction	Upcoming Construction
Preliminary Treatment Building (02)	JWC on site Oct. 7-8 to install north screw auger gearbox and shaft sea.	Obtain spare parts from JWC.
Control Building (03)	- WAS pump 2 start-up & training April 15, 2024 by Magney and Vogelsang - Call with Vogelsang & Magney to discuss corrosion 6/25/2025.	City sent a copy of sludge sample to test against Vogelsang elastomers. Vogelsang determined the pump elastomers are compatible with the Melrose sludge. Vogelsang is recommending tungsten carbide wear plates and housing segments in these pumps. Vogelsang sent pricing for the replacement parts.
Pump and Blower Building (04)		No additional Work
Existing Final Clarifier (05)	Clarifier start-up 6/6/2023	None.
New Final Clarifier (06)	Clarifier live as of 2/28/23	None.
Digester Complex (07)		No additional Work
Solids Thickening and Loadout Building (08)		No additional Work
Splitter Structure (10)	Structure live as of 2/28/23	No additional Work
Existing 48 ft Clarifier (11)		No additional Work.
Sludge Return Metering Vault (12)	Structure live as of 2/27/2023	No additional Work
Yard	Deciding about paving correction	Paving correction or accept deduct

**STATUS OF CONSTRUCTION: IN PROGRESS – PUNCH LIST.
WORK CHANGE DIRECTIVES & CHANGE ORDERS:**

Magney will be unable to complete the driveway pavement and valley gutter repairs this fall due to a compressed schedule resulting from sludge removal operations and the impending closure of paving plants caused by cold weather. Magney has proposed a deduction of \$35,825 for the paving and valley gutter should the City elect to accept the deduction and close out the contract. SEH is currently seeking clarification regarding the proposed pricing.
OUTSTANDING ITEMS:

Issue	Update Since Last Meeting	Next Steps
Screenings Conveyor	JWC on site Oct 7th Adam came out. Auger is on, seems to be running smoothly, new flyting and screw. They were using it but kept running it.	Obtain spare parts
Screen Drain and Pretreatment Building Bypass	Magney will not be able to fix the driveway pavement and valley gutter this fall. The schedule was too tight with sludge haul out and paving plants will be closed because of the cold weather. Magney provided pricing of \$35,825 deduct for the paving and valley gutter if City were to take the deduct and wrap up the contract. SEH is	Decide whether to accept Magney's deduct and work to close the project or wait until spring to do the pavement.

	asking for clarification about this pricing.	
WAS Pump Corrosion	Vogelsang sent pricing for the replacement parts. \$13,354	Order replacement parts from Vogelsang.

b Blower Project Progress Report Update from SEH

PROGRESS UPDATE

- With equipment selection finalized, SEH staff have been meeting on a bi-weekly basis to continue to complete the construction drawings. Flow Sheets are complete and are being converted into P & IDs. Process drawings are nearly complete and we are working on details. The other design disciplines are working on their drawings and specifications.
 - Per your direction, we will not be including a new floor hatch or lifting hook/hoist in the Blower Building for installing or removing equipment in the basement. Instead, the existing hatch and lifting hook will be used or equipment will be brought down the stairway. The existing single door will need to be removed, and the double door installed for equipment installation.
 - Electrical engineers have determined that the transformer for the blower building will need to be replaced in order to support the additional loads in the building. We will discuss with you the sequencing requirements.

PROGRESS OUTLOOK

- The design team will meet every two weeks to discuss progress and keep the team on schedule. We will report back to City staff after meeting internally to develop a schedule for completion of the documents and bidding of the project. We have a meeting set on October 27 with City staff to discuss the Construction Drawings set. We will provide a review set to the City a week before the meeting. SEH will perform QC review of this set during this time as well.

BUDGET

Drawing changes related to changes in pump and blower selection

We have determined that we have approximately \$111,500 worth of work remaining to complete and bid the project. We have approximately \$59,000 of budget remaining. Therefore, we are proposing an amendment amount of \$52,500 to complete the project. Below is an itemized list of SEH had additional time related to the Blower and RAS, Trickling Filter, and Wetwell 1 Pump Selections

- Blower equipment selection
 - Additional time for manufacturer's rep coordination and visits
 - Additional meetings related to blower selection
 - Biowin modeling and empirical calculations for air requirement and blower sizing - note that the contract states that we will design to match air supply of existing blowers
 - Analyzing performance of the upstream processes - primary clarifiers and trickling filter
 - Rework of drawings related to blower selection
 - Basis of design memo for blowers
- RAS, Trickling Filter, and Wetwell 1 pump selection
 - Manufacturer's rep coordination and site visits
 - Analysis of suction lift vs. centrifugal pumps

- Rework of hydraulic analysis due to changes in design flow
- Additional meetings related to design flows
- Drawing changes related to pump changes

Mr. Marcusen stated that SEH believes the additional amount of \$52,500 will be reduced due to changes in the remaining scope of the project.

The Commission requested a cost breakdown with time allocation for the remaining work on the project.

c. Well #7 Replacement Project Update from SEH.

PROGRESS UPDATE

- Awarded Contract A Well 10 Construction and Well 7 Abandonment project to Traut Companies and distributed contracts electronically.
- A preconstruction meeting and site tour was held with Traut Companies on October 15.
- Completed internal QA/QC of Contract B - Well 10 Raw Water Main, Electrical, and Pump House Improvements. Waiting on flow meter information from Sensus to ensure Well 10 flow meter can be integrated with the rest of the City's flow metering software. SEH will hold a final design meeting with the City prior to finalizing the documents and submitting them to MDH for review.
- No changes in total opinion of probable cost since the last update. Total opinion of probable cost for the project is \$800,082.

PROGRESS OUTLOOK

- Contract B - Well 10 Raw Water Main, Electrical, and Pump House Improvements will be finalized and submitted to MDH for plan review upon approval from PUC. SEH recommends waiting to advertise for bidding, since this work won't begin until after the sonic (test) hole for Contract A is constructed later this fall.
- MDH plan approval of the well is anticipated within the next couple of weeks.
- Traut Companies will complete the sonic test hole prior to the contract milestone date of November 30, 2025. Traut does not have a date set to complete the sonic drilling.

A.I. #7 NEW BUSINESS

None

A.I. #8 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. The following is a list of schools and/or conferences where registrations were made:
 - 1) Wastewater Treatment Facility/Collection; November 18-20. Attending: Water/Wastewater Operator Josh Elfering
 - 2) CDL School - Water/Wastewater Operators Evan Gregory and Andy Klaphake

A.I. #9 ADJOURNMENT

A motion was made by Mr. Finken seconded by Mr. Seanger and unanimously carried that the meeting be adjourned at 5:20 p.m.


PATRICIA HAASE – CITY CLERK